



DEPARTMENT OF

**Professional &
Financial Regulation**

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF PROF. AND OCC. REGULATION

A Consumer's Guide To...

INDIVIDUAL HEALTH INSURANCE



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INDIVIDUAL HEALTH INSURANCE

Individual health insurance is available in Maine from Anthem Blue Cross and Blue Shield, MEGA Life & Health Insurance Company, and several health maintenance organizations (HMOs). In addition, Maine's DirigoChoice program offers insurance to individuals and small businesses; subsidies may be available to qualified individuals.

This brochure is designed for individuals looking to purchase a new insurance policy. This information will help you understand your options and compare premiums. If you currently are covered by insurance, there are many issues to consider before switching plans. Please refer to the Bureau's website, www.maine.gov/insurance, for additional information.

Who is eligible?

Any Maine resident who is not eligible for Medicare can buy an individual health insurance policy. By law, any individual health insurance policy offered in Maine must be sold to anyone who applies.

If you are eligible for group coverage through your employment or through membership in an association, you may want to think about whether group coverage is better for you or costs less than an individual plan. If you have a small business, look at our publication, "A Consumer's Guide to Small Employers Health Insurance." A self-employed individual with no employees is considered a small employer. In that situation, however, an insurer or HMO that offers both individual and small group policies can choose which policy to offer you.

- **Continued Coverage for a Dependent Child Until His/Her 26th Birthday**

Insurance carriers must offer to cover your dependent child up to his or her 26th birthday. Federal law requires health plans to provide an open enrollment period allowing dependents to join the family plan. Eligibility for extended coverage is not limited by marital status, number of dependents, or enrollment as a student; however, if your child has coverage available through their own job, they cannot be added to your plan.



What is available?

Insurers offer many different policies, varying the services covered, the amount of benefits payable, and the type of managed care provisions included (if any). Managed care policies include provisions intended to reduce costs. Common managed care types include:

- **Preferred Provider Organization (PPO)** - The insurer contracts with a network of doctors, hospitals, and other medical providers (called "preferred providers") who agree to accept lower fees. You receive a higher level of benefits if you go to a preferred provider than if you go to a non-preferred provider or an out-of-network provider.
- **Health Maintenance Organization (HMO)** - You must choose a primary care physician (the doctor you would see for your annual physical) from a list of participating doctors. For any non-emergency hospital or specialty care, you must get a referral from your primary care physician first. The insurer or HMO reviews treatment recommendations to determine whether the hospitalization is medically necessary.

What about pre-existing conditions?

If you do not have health insurance for a 90 day period before buying a new health insurance policy:

- Health conditions you had before the start date of the new policy may not be covered for 12 months; this is known as a "pre-existing condition exclusion". Pre-existing condition exclusions are allowed by law to encourage people to buy insurance before they are sick or hurt. No insurer could stay in business if they collected premiums only from people who sign up once they are already sick. Pre-existing condition exclusions are prohibited for children under age 19.

If you **have** health insurance any time during the 90 days before buying a new policy:

- You are protected by Maine's "continuity law". This law requires insurers to waive pre-existing condition exclusions to the extent you would have been eligible for benefits under your old policy. For example:
 - If your old policy included coverage for physical therapy and the new policy also includes these benefits, you receive benefits for physical therapy under the new policy **without** a pre-existing condition exclusion.
 - If your old policy did not include physical therapy benefits and the new policy does, then physical therapy for a pre-existing condition may not be covered for the first 12 months under the new policy.
 - If the old policy included physical therapy benefits and the new policy does not, then physical therapy will not be covered under the new policy.

Federal law requires pre-existing condition exclusions to be waived completely under limited circumstances. If you meet **all** of the following requirements, you are a "federally eligible individual" and do not have to worry about pre-existing condition exclusions regardless of the level of benefits you had under an old health insurance policy:

1. You are **not** eligible for other coverage such as Medicare, MaineCare, or group coverage through an employer;
2. You had prior coverage under a group health insurance policy and you apply for an individual policy within 63 days after your old coverage ends;
3. You have at least 18 months of prior coverage. This may be entirely under one policy or more than one as long as there was not a gap of more than 63 days when you had no coverage; and
4. You had an option to buy coverage under the Federal "COBRA" law or a similar state law available under your prior plan, you took that option, and the coverage has expired.

What happens if I change my deductible?

You may be able to change your plan's deductible, but any payments that have been credited towards your original deductible amount **may not** carry over to the new plan. For example: if your current plan has a \$3,000 deductible and you have incurred \$2,800 in medical bills, increasing your plan's deductible to \$5,000 may mean that you must pay a full \$5,000 before your insurer begins to pay benefits (i.e., you may not be given 'credit' for the \$2,800 you paid towards your original deductible). If you are changing from a high deductible plan to a low deductible plan, it is important to understand that your lower deductible may not apply for *up to 12 months* for pre-existing conditions. Regardless of whether you have satisfied any applicable exclusionary period, the higher deductible may be imposed for health conditions existing prior to the effective date of your new, lower deductible, plan. The lower deductible would apply, however, to claims not resulting from pre-existing conditions.

What is DirigoChoice?

DirigoChoice is a PPO plan available to small employers and individuals, currently provided through HPHC Insurance Company, a subsidiary of Harvard Pilgrim Health Care. Everyone is eligible, and Mainers who are uninsured or underinsured and have incomes below 300 percent of the federal poverty level (\$33,510 for an individual; \$69,150 for a family of four) may qualify for reduced premiums and deductibles. Assistance may also be available through:

- Health Care Tax Credits, available for workers displaced by foreign trade
- A high-risk pool for those people who are uninsured with pre-existing conditions
- Vouchers for part-time, uninsured workers to help pay for coverage from any insurance company in Maine if they work for businesses that offers the coverage.

Enrollment may be limited - for more information on DirigoChoice or to be notified when subsidized coverage is available, please call toll free (877) 892-8391 or visit the Dirigo website at <http://www.dirigohealth.maine.gov/>.

What is MGARA?

Maine's healthcare reform law created the Maine Guaranteed Access Reinsurance Association (MGARA). MGARA allows insurance companies to share the costs of insuring individuals with more expensive medical conditions. Some policies will be automatically included in the program based on specific medical conditions, while other policyholders may receive a health statement to fill out regarding their current medical conditions.

What are HSAs?

A Health Savings Account, or HSA, combines a high-deductible health insurance policy with an investment account. There may be income tax benefits to choosing an HSA. To determine the extent of any tax benefits, contact your tax advisor, the IRS, and/or Maine Revenue Services at www.maine.gov/revenue.

How much does insurance cost?



Insurers and HMOs cannot charge different rates based on gender, health status, claims experience, or policy duration. Rates may vary based on age, geographic area, and smoking status. The maximum rate differential due to age is a ratio of 3 to 1 beginning on July 1, 2012. This means that the premium for a policy issued to an older individual can be up to 3 times the amount charged to someone at the youngest age for that same policy. Not all insurers use geographic factors. When they are used, they are restricted to a ratio of 1.5 to 1. Smoking status may also be applied to the rates and is limited to a ratio of 1.5 to 1. These factors can be used in combination with a maximum allowed ratio of (3 times 1.5 times 1.5) 6.75 to 1.

The charts below shows monthly sample rates for carriers selling policies in Maine. After July 1, 2012, you can check for updated rates for this brochure on our website at www.maine.gov/insurance. You can also call the insurance company or an independent agent for rates.

Please note that insurers showing low rates on this chart are not necessarily the lowest cost in all situations. For instance, the rates shown are for *single individuals* and *two-parent families with two children* only. Rates for one-parent families and couples without children or with a different number of children are also offered and will vary among different insurers. You can contact the company or an independent agent for these rates, for rates specific to your age, or to find out about other available options offered by the insurers. **Be sure to compare benefits, exclusions and premiums carefully when considering different policies.** Service is also important to consider when you shop for insurance. A company who gives superior service may be worth some additional cost.

Anthem Blue Cross and Blue Shield Monthly Premium Effective July 1, 2012 HealthChoice Plus

Telephone Number* (800) 547-4317

	\$2,000 Deductible		\$3,500 Deductible		\$5,000 Deductible		\$7,500 Deductible		\$12,000 Deductible	
Ages	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family
0 - 18	\$204.23	\$598.46	\$177.42	\$519.90	\$159.73	\$468.06	\$131.83	\$386.29	\$101.80	\$298.30
19 - 24	\$215.23	\$630.68	\$186.98	\$547.90	\$168.33	\$493.26	\$138.92	\$407.09	\$107.28	\$314.36
25 - 29	\$233.14	\$683.16	\$202.54	\$593.49	\$182.34	\$534.31	\$150.49	\$440.96	\$116.20	\$340.52
30 - 34	\$254.50	\$745.77	\$221.10	\$647.88	\$199.05	\$583.27	\$164.28	\$481.37	\$126.85	\$371.73
35 - 39	\$279.95	\$820.34	\$243.21	\$712.67	\$218.95	\$641.60	\$180.70	\$529.51	\$139.54	\$408.90
40 - 44	\$314.20	\$920.70	\$272.96	\$799.85	\$245.74	\$720.09	\$202.81	\$594.29	\$156.61	\$458.92
45 - 49	\$362.90	\$1,063.41	\$315.27	\$923.83	\$283.83	\$831.70	\$234.25	\$686.40	\$180.88	\$530.05
50 - 54	\$435.80	\$1,277.01	\$378.60	\$1,109.39	\$340.84	\$998.76	\$281.30	\$824.28	\$217.22	\$636.52
55 - 59	\$525.34	\$1,539.41	\$456.39	\$1,337.35	\$410.88	\$1,203.99	\$339.10	\$993.65	\$261.85	\$767.31
60+	\$645.37	\$1,891.12	\$560.66	\$1,642.89	\$504.75	\$1,479.06	\$416.57	\$1,220.67	\$321.68	\$942.62

* Phone numbers are current as of May 1, 2012; however, because numbers change without notice, you may have to contact a local independent agent for policy information.

DirigoChoice (offered through Harvard Pilgrim)

Telephone Number* (877) 892-8391

Enrollment may be limited. For more information on DirigoChoice or to be notified when subsidized coverage is available, please call toll free (877) 892-8391 or visit the Dirigo website at <http://www.dirigohealth.maine.gov/>.

MEGA Life & Health Insurance Co.		Telephone Number* (800) 527-5504, Option 1 “Insureds”. When it asks for your Insurance ID #, verbally say “Representative.” The recording will then respond by saying, “did you say representative, if so press 1”. Press 1.			
		Signature Plan (High Deductible Policy)			
Benefit Options: As indicated in the Benefit Comparison Chart at the end of this brochure, these plans are available with a number of different options with respect to certain benefit levels.					
Individual Deductible / Coinsurance / Coinsurance Maximum		\$3,500 / 20% /\$2,000	\$5,000 / 20% /\$5,000	\$7,500 / 20% /\$10,000	\$10,000 / 50% /\$10,000
Ambulatory Care (deductible) ¹		\$500	\$500	\$1000	No coverage
Doctor Office visits (\$50 copay) ¹		Yes	Yes	No coverage	No coverage
Emergency Services (Copay) ¹		\$250	\$500	\$500	\$500
Air Ambulance ¹		Yes	Yes	Yes	Yes
Single Monthly Premium ¹	Nonsmoker	\$452.71	\$405.53	\$301.64	\$226.60
	Smoker	\$520.81	\$465.62	\$344.08	\$256.26
Family Monthly Premium	Nonsmoker	\$1,124.35	\$1,005.55	\$730.87	\$544.23
	Smoker	\$1,260.55	\$1,125.73	\$815.75	\$603.55
A one-time application fee of \$50 is added to the above rates. Sample rates are based on a community rate					
¹ Optional riders					

Benefit Comparison Charts

The following pages contain charts showing some of the benefits included in the Standard plans for HMO policies (second chart, page 8) and for other policies. Also shown are benefits included in some non-standardized plans offered by Anthem Blue Cross & Blue Shield and by MEGA Life & Health Insurance Company. Other benefits may be available at an extra premium.

Benefits vary widely among policies. Compare benefits carefully before choosing a policy.

* Phone numbers are current as of May 1, 2012; however, because numbers change without notice, you may have to contact a local independent agent for policy information.

BENEFITS	ANTHEM HEALTHCHOICE PLUS	
	Network	Non-Network ¹
Deductible	Benefits are paid after the individual or family deductible has been met. For family contracts, no one person can contribute more than the individual deductible to the aggregate deductible. Non-network and network deductibles are satisfied separately.	
Calendar Year Deductibles	Individual: \$2,000—\$12,000 Aggregate Family: \$4,000—\$24,000	Individual: \$2,000—\$12,000 Aggregate Family: \$4,000—\$24,000
Calendar Year Prescription Deductible	\$1000 (network and non-network combined)	
Plan Coinsurance	20-30% [20% co-insurance applies to \$12,000 deductible plan]	40%
Out of Pocket Maximum	Individual: \$6,000—\$14,000 Aggregate Family: \$8,000—\$26,000	Individual: \$9,500—\$19,500 Aggregate Family: \$11,500—\$31,500
	Network and non-network Out of Pocket Maximums must be satisfied separately. For family policies, no one person contributes more than the individual Out of Pocket Maximum to the aggregate Out of Pocket maximum.	
Pre-Admission Penalty	\$500 Note: Pre-admission penalty is not counted toward deductible or out of pocket maximum.	
Mental Health & Substance Abuse	Inpatient: combined (mental health and substance abuse) limit of 20 days ² , subject to policy deductible ³ and coinsurance. Prior authorization is required for non-emergency inpatient admissions. Without prior authorization, preadmission penalty applies. Outpatient combined (mental health and substance abuse) limit of 25 days, subject to policy deductible ³ and coinsurance. Note: Maine law requires that mental health benefits be equal to those available for physical illness when an individual has a diagnosis of schizophrenia, bipolar disorder, pervasive developmental disorder, or autism, paranoia, panic disorder, obsessive-compulsive disorder, or major depressive disorder. Benefits for the treatment or diagnosis of one of the above mental illnesses will not be subject to a limit on days of treatment.	
Maternity	Not covered. Prenatal services covered as preventive care.	
Preventive Care	Covered at 100%; no copayment or deductible	
Chiropractic Care	15 visits per calendar year covered ³ , subject to policy deductible and coinsurance.	
Prescriptions	Subject to \$1,000 prescription deductible ³ Out of pocket maximum does not apply.	
	Once annual deductible satisfied: Retail Pharmacy (up to a 30 day supply): 40% coinsurance Voluntary Mail Order (up to a 90 day supply): 40% coinsurance	Once annual deductible satisfied: Retail Pharmacy (up to a 30 day supply): 50% coinsurance Voluntary Mail Order (up to a 90 day supply): 50% coinsurance
	Generic prescriptions are required if available. If a brand name drug is purchased when a generic is available, the member pays the difference between the generic and the brand name.	
Emergency Room Care	Subject to contract deductible and coinsurance.	
Inpatient Hospital Services	Subject to policy deductible and coinsurance. No limit on number of days. Prior authorization is required for non-emergency inpatient admissions. Without prior authorization, Pre-Admission Penalty applies.	
Outpatient Surgical Facility	Subject to policy deductible and coinsurance.	
Surgeon	Subject to policy deductible and coinsurance.	
Ambulance	Subject to policy deductible and coinsurance.	
Physician's Care While Hospitalized	Subject to policy deductible and coinsurance.	
Physician's Office Visits	Subject to policy deductible and coinsurance.	
Skilled Nursing Care	100 days per calendar year covered ³ , subject to policy deductible and coinsurance.	
Home Health Care	90 visits per calendar year covered ³ , subject to policy deductible and coinsurance.	

¹ If you use a non-network provider without Anthem's authorization, you may be responsible for charges in excess of what Anthem will pay. The amount you owe could be substantial.

² Two days of day treatment equals one day of inpatient care.

³ Network and non-network combined.

BENEFITS	DIRIGOCHOICE	MEGA SIGNATURE PLAN (High Deductible Policy)
Deductible	Benefits are paid after the individual or family deductible has been met. The family deductible is met when total expenses paid for all family members exceed two times the individual deductible.	Benefits are paid after the individual or family deductible has been met. The family deductible is met when three family members meet the individual deductible.
Calendar Year Deductibles	Varies by income	\$3,500, \$5,000, \$7,500, \$10,000 per calendar year.
Plan Coinsurance	20% to out-of-pocket limit, which varies by income, then 0%	Choice of 20% to \$2,000, \$5,000 or \$10,000, then 0%; or 50% to \$5,000, \$10,000, or \$20,000, then 0%
Lifetime Maximum	No limit	No limit
Substance Abuse	Same as physical illness	Not covered unless optional rider is purchased
Mental Health	Listed conditions: Same as physical illness. Non-listed conditions: 80% after \$150 deductible.	Not covered unless optional rider is purchased.
Maternity	Subject to policy deductible and coinsurance.	Not covered , except complications of pregnancy.
Preventive Care	Covered at 100%; no copayment or deductible	Covered at 100%; no copayment or deductible
Chiropractic Care	40 visits per calendar year; subject to policy deductible and coinsurance.	Subject to policy deductible and coinsurance.
Prescriptions	No deductible or coinsurance. Co-pay of \$10 for generic, \$25 for brand name, and \$40 for optional brand name drugs.	Not covered.
Emergency Room Care	Subject to policy deductible and coinsurance.	Only for emergency medical condition. Subject to co-pay of \$250 or \$500 and policy deductible and coinsurance. Deductible waived if optional rider purchased.
Inpatient Hospital Services	Subject to policy deductible and coinsurance. No limit on number of days.	Subject to policy deductible and coinsurance. No limit on number of days.
Outpatient Surgical Facility	Subject to policy deductible and coinsurance.	Subject to policy deductible and coinsurance.
Surgeon	Subject to policy deductible and coinsurance.	Subject to policy deductible and coinsurance.
Ambulance	Subject to policy deductible and coinsurance.	Subject to policy deductible and coinsurance.
Physician's Care While Hospitalized	Subject to contract deductible and coinsurance.	Inpatient doctor visits limited to one per day.
Physician's Office Visits	100% after \$20 co-payment. Deductible does not apply	Not covered unless optional rider is purchased.
Skilled Nursing Care	100 days per calendar year; subject to policy deductible and coinsurance.	Not covered.
Home Health Care	Subject to contract deductible and coinsurance.	Subject to the policy deductible and coinsurance

HMO Plans

(Community rates – your actual rate may be higher or lower based on age, smoking status, and geographic area)

HMOs	Standard Plan A		Standard Plan B		Telephone Number*
	Single	Family	Single	Family	
Aetna Health	\$1,167.49	\$3,188.13	\$967.35	\$2,641.58	(800) 435-8742
Harvard Pilgrim	\$2,003.15	\$6,009.45	\$1,602.52	\$4,807.56	(888) 333-4742
* Phone numbers are current as of May 1, 2012; however, since numbers change without notice, you may have to contact a local independent agent for policy information.					

Benefit	HMO STANDARD PLAN A (Offered by HMOs)	HMO STANDARD PLAN B (Offered by HMOs)
Deductible	Not applicable	Not applicable
Plan Coinsurance	Not applicable	<u>Inpatient</u> only - 80% to \$2,000 then 100%
Lifetime Maximum	Not applicable	Not applicable
Substance Abuse	No lifetime maximum. <u>Inpatient</u> - 30-day calendar year maximum, <u>Outpatient</u> - \$1,000 per calendar year; \$10 co-payment per visit.	No lifetime maximum. <u>Inpatient</u> - 15-day calendar year maximum <u>Outpatient</u> - \$500 calendar year; \$25 co-payment per visit.
Mental Health	No lifetime maximum. <u>Inpatient</u> - 30-day calendar year maximum. <u>Outpatient</u> - \$1,000 per calendar year. \$10 co-payment per visit.	No lifetime maximum. <u>Inpatient</u> - 15-day calendar year maximum. <u>Outpatient</u> - \$500 calendar year; \$25 co-payment per visit.
Preventive Care	Covered expenses are payable at 100%.	Covered expenses are payable at 100% .
Chiropractic Care	Subject to \$10 co-payment per visit.	Subject to \$15 co-payment per visit.
Prescriptions	\$10 co-pay for generic drug and \$20 co-pay for brand name drugs.	\$20 co-pay for generic drug & \$30 co-pay for brand name drugs.
Emergency Room Care	Subject to \$50 co-pay if not confined to the hospital.	Subject to \$150 co-pay if not confined to the hospital.
Inpatient Hospital Services	No limit on number of days. \$250 co-payment per day for first 5 days per year.	60 days per calendar year. \$250 co-payment per day. Coinsurance - 80% to \$2,000, then 100%.
Physician's Care	Subject to \$10 co-payment for office visits.	Subject to \$25 co-payment for office visits.
Skilled Nursing Care	100 days per calendar year; \$25 co-payment per day.	Not covered.
Home Health Care	100 visits per calendar year; \$10 co-payment per visit.	100 visits per calendar year; \$25 co-payment per visit.

Additional Resources

For help with finding the right health insurance for you, or just learning more about what options are available, the U.S. Department of Health and Human Services offers an online tool, at: <http://finder.healthcare.gov/>.

Individual Health Insurance Carriers:

For plan-specific questions and additional information, please use the numbers below. Phone numbers are current as of May 1, 2012; however, because numbers may change without notice, you may also contact a local independent agent for policy information.

Company	Telephone Number
Anthem Blue Cross and Blue Shield	(800) 547-4317
Dirigo Health	(877) 892-8391
MEGA Life & Health Insurance Co.	(800) 527-5504
Aetna Health [HMO plan]	(800) 435-8742
Harvard Pilgrim [HMO plan]	(888) 333-4742

SCAM WARNING: The best protection is prevention.

Know how to identify a scam:

- Scammers set prices well below market rates, offering deals that are too good to be true.
- Scammers use documents and materials that resemble those of licensed companies, and their names are often similar to those of legitimate companies.
- Scammers advertise by fax, e-mail, phone, and the internet.
- Scammers use confusion around insurance changes to gain access to consumers' personal information.

If you see an offer that seems too good to be true, it probably is.

Contact the Bureau of Insurance at (800) 300-5000 [in state] if you suspect a scam or if you have questions about a company.

Other publications are available through:

The Bureau of Insurance
34 State House Station
Augusta, Maine 04333
(207) 624-8475 or (800) 300-5000 [in state]
TTY: (888) 577-6690
Visit the Bureau's website at
www.maine.gov/insurance

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